



PIRAMAL HEALTHCARE LIMITED

Regd. Office : Piramal Tower, Ganpatrao Kadam Marg, Lower Parel, Mumbai 400013.
Telephone: +91 22 3046 6666 Fax: +91 22 2490 2363 Website: www.piramalhealthcare.com

PUBLIC ANNOUNCEMENT

FOR THE ATTENTION OF THE SHAREHOLDERS / BENEFICIAL OWNERS OF EQUITY SHARES OF THE COMPANY

This Public Announcement is issued pursuant to and in accordance with the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 1998, as amended

1 THE BUYBACK OFFER

1.1 Piramal Healthcare Limited ("Company") hereby announces the buyback ("Buyback") of 41,802,629 fully paid-up equity shares of the face value of Rs.2/- each ("Shares") from the shareholders of the Company through a tender offer, in accordance with Section 77A and other applicable provisions of the Companies Act, 1956 ("Act"), the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 1998, as amended ("Regulations"), the relevant provisions of the Memorandum of Association and Articles of Association of the Company and subject to such other approvals, permissions and sanctions as may be necessary, at a price of Rs.600/- per Share ("Buyback Price") payable in cash, for an aggregate amount of Rs.25,081,577,400/- ("Buyback Size"). The Buyback Size represents 17.76% of the aggregate of the Company's total paid-up equity share capital and free reserves as on September 30, 2010. The aggregate number of Shares to be bought back by the Company under the Buyback is 41,802,629, which is 20% of the Company's Shares as on September 30, 2010, being the date of the last audited balance sheet of the Company prior to the special resolution dated December 6, 2010 approving the Buyback.

1.2 In terms of the Regulations, under the tender offer route, the promoters of the Company have the option to participate in the Buyback. In this regard, the promoters of the Company have informed the Company vide their letter dated October 27, 2010 regarding their intention to participate in the Buyback. The extent of their participation in the Buyback has been detailed in clause 7.3 of this Public Announcement.

1.3 A copy of this Public Announcement is expected to be available on the Securities and Exchange Board of India ("SEBI") website www.sebi.gov.in during the period of the Buyback. The same is also available on the Company's website www.piramalhealthcare.com.

2 PROPOSED TIME TABLE

The proposed timetable for the Buyback is given below:

Activity	Date	Day
Initial Board Meeting Approving the Buyback	October 22, 2010	Friday
Special Resolution of Shareholders Approving the Buyback	December 6, 2010	Monday
Public Announcement of Buyback	December 9, 2010	Thursday
Specified Date	January 8, 2011	Saturday
Buyback Opens on	January 17, 2011	Monday
Last Date of Withdrawal	February 2, 2011	Wednesday
Buyback Closes on	February 7, 2011	Monday
Last Date of Verification	February 17, 2011	Thursday
Last Date of Intimation Regarding Acceptance/ Non-Acceptance and Dispatch of Consideration/Share Certificates/Demat Instruction	February 21, 2011	Monday
Last Date of Extinguishment of Shares	February 28, 2011	Monday

3 SPECIFIED DATE

The Specified Date for this Buyback shall be January 8, 2011. The Letter of Offer ("LOF"). Form of Acceptance-cum-Acknowledgement ("Form") and Withdrawal Form will be mailed to all shareholders of the Company whose names appear on the register of members of the Company and who are beneficial owners of the Shares as per the records made available to the Company by the National Securities Depository Limited ("NSDL") / Central Depository Services (India) Limited ("CDSL") as on the Specified Date. Shareholders who have obtained delivery after the Specified Date may submit their responses by Registered Post / Hand Delivery complete in all respects as provided in this Public Announcement.

4 AUTHORITY FOR THE BUYBACK

The Buyback has been duly authorised by:

- Resolutions passed by the Board of Directors of the Company at their meeting held on October 22, 2010: (a) authorizing the Buyback subject to passing of a special resolution by the members of the Company; and (b) constituting a committee of Board of Directors to implement the Buyback ("Buyback Committee").
- A special resolution passed by the shareholders of the Company in terms of the provisions of Section 192A of the Act read with the Companies (Passing of the Resolution by Postal Ballot) Rules, 2001. The notice dated October 27, 2010 along with the explanatory statement for the special resolution in respect of the Buyback containing the disclosures as required under Schedule 1 of the Regulations was sent to all members of the Company. The results of the Postal Ballot were announced on December 6, 2010.
- Various resolutions passed by the Buyback Committee.

5 EXTRACT OF EXPLANATORY STATEMENT ANNEXED TO THE NOTICE OF POSTAL BALLOT DATED OCTOBER 27, 2010 THROUGH WHICH THE SPECIAL RESOLUTION APPROVING THE BUYBACK WAS PASSED

As per the requirements of Section 173(2) read with Section 77A and other applicable provisions of the Act and Schedule 1 of the Regulations, the explanatory statement containing relevant and material information to enable the shareholders to consider and approve the special resolution approving the Buyback. Set out below are relevant extracts of the explanatory statement that was annexed to the postal ballot notice dated October 27, 2010:

"The Company has completed the sale of its Domestic Formulations Business (including its Mass Market Branded Formulations Business) together with its manufacturing facility at Baddi, Himachal Pradesh (the "Business") to Abbott Healthcare Private Limited, which was approved by the shareholders through postal ballot on 25th June 2010, with an overwhelming requisite majority. The Company has also completed the sale of its shareholding in Piramal Diagnostic Services Pvt. Ltd. ("PDSPL Shareholding") to Super Religare Laboratories Ltd. ("SRL"). With the objective of rewarding shareholders pursuant to the sale of the Business and the PDSPL Shareholding, the Board at its meeting on 22nd October 2010 has approved the proposal recommending Buy-back of equity shares as contained in Resolution No. 1 of the Notice. Requisite details relating to the Buy-back are given below:

(i) Rationale/Necessity for the Buy-back

Subsequent to sale of the Business and receipt of the first tranche of the consideration from Abbott Healthcare Private Limited and the sale of the PDSPL Shareholding to SRL, the Board at its meeting held on 22nd October, 2010, had considered various alternatives for rewarding shareholders. Taking into consideration the consequent increase in accumulated free reserves as well as favorable liquidity reflected in the audited accounts for the period from April 1, 2010 till September 30, 2010, the Board decided to allocate a sum of about Rs.2,500 Crores for distributing to the shareholders. After taking into consideration several factors and advantages to the shareholders, the Board decided to recommend Buy-back of shares at a price of Rs.600 per share aggregating to Rs.2,508.16 Crores, it being a more efficient form of distributing such reward to the shareholders compared to other alternatives including interim dividend, inter alia for the following reasons:

- Buy-back would enable the Company to distribute the entire amount so allocated towards Shareholders' reward, to be distributed to the shareholders, as compared to dividend distribution which would involve payment of Dividend Distribution Tax, thereby resulting in a lower amount available for such distribution;
- Out of the total sum allocated for distribution as aforesaid, the net proceeds in the hands of the Shareholders would be in the case of dividend be lower by 16.609% by virtue of Dividend Distribution Tax having to be paid on such distributable amount by the Company. However, in the case of Buy-back, the net proceeds in the hands of long-term shareholders would be lower at only 10.30% (without indexation), by way of long term capital gains tax;
- Buy-back helps in improving the return on equity by reduction in the Equity base as well as future servicing to shareholders, thereby leading to long term increase in shareholder value;
- The Buy-back price of Rs.600 per share represents a premium of 19% over the average share price of the Company for the 3 months preceding the date of the Board Meeting.

For the above reasons, the Board has recommended a Buy-back of shares, it being a more efficient form of distributing such reward to the Shareholders.

(ii) Approval of the Board of Directors of the Company ("the Board") for the Buy-back

With the intent of rewarding shareholders pursuant to sale of the Business and the PDSPL Shareholding and also taking into consideration the factors as set out in (i) above, the Board at its meeting held on 22nd October, 2010 approved the proposal recommending buyback of upto 4,18,02,629 equity shares of the Company of face value of Rs.2 each, from the shareholders of the Company on a proportionate basis through the "Tender Offer" route as prescribed under the Securities and Exchange Board of India (Buy-Back of Securities) Regulations, 1998 (the "Buy-back Regulations") at a price of Rs.600 per equity share aggregating to an amount not exceeding Rs.2,508.16 Crores (the "Buy-back") in accordance with the provisions of Article 24(a) of the Articles of Association of the Company and subject to the provisions of Section 77A and other applicable provisions, if any of the Companies Act, 1956 (the "Act") and the Buy-back Regulations.

(iii) Method to be adopted for the Buy-back

The Buy-back shall be on a proportionate basis through the "Tender Offer" route, as prescribed under the Buy-back Regulations.

(iv) Maximum amount required under the Buy-back and the sources of funds from which the Buy-back would be financed

The maximum amount required under the Buy-back will be Rs.2,508.16 Crores. The Buy-back would be financed out of the free reserves of the Company. The Company shall transfer from its free reserves a sum equal to the nominal value of the equity shares purchased through the Buy-back to the Capital Redemption Reserve Account and the details of such transfer shall be disclosed in its subsequent audited Balance Sheet.

The Company confirms that as required under the Act, the ratio of the debt owed by the Company shall not be more than twice the share capital and free reserves after the Buy-back.

(v) Buy-back Price and the basis of arriving at the Buy-back Price

The equity shares of the Company are proposed to be bought back at a price of Rs.600 per share (the "Buy-back Price"). The Buy-back Price has been arrived at after considering various factors such as the average price of the shares of the Company on the stock exchanges where the equity shares of the Company are listed, the net worth of the Company and the impact of the Buy-back on the earnings per share of the Company.

(vi) Number of shares that the Company proposes to Buy-back and time limit for completing the Buy-back

The Company proposes to Buy-back up to 4,18,02,629 fully paid-up equity shares of face value of Rs.2 each. The Buy-back is proposed to be completed within 12 months of the date of the Special Resolution approving the proposed Buy-back.

(vii) Compliance with Section 77A(2)(c) of the Act

The aggregate paid-up share capital and free reserves as at September 30, 2010 is Rs.14,120.5 Crores. Under the provisions of the Act, the funds deployed for the Buy-back cannot exceed 25% of the total paid-up capital and free reserves of the Company. The maximum amount proposed to be utilized for the Buy-back, is Rs.2,508.16 Crores and is therefore within the limit of 25% of the Company's total paid-up capital and free reserves as per the audited Balance Sheet as at September 30, 2010.

Further, under the Act, the number of equity shares that can be bought back in any financial year cannot exceed 25% of the total paid-up capital of the Company in that financial year. Accordingly, the maximum number of equity shares that can be bought back in the current financial year is 5,22,53,286 shares. Since the Company proposes to Buy-back up to 4,18,02,629 equity shares, the same is within the aforesaid 25% limit.

(viii) (a) The aggregate shareholding of the promoters and of the directors of the promoter companies holding shares in the Company and of persons who are in control of the Company as on the date of this notice

Individuals / companies / entities forming part of the Promoter Group of the Company and the directors of companies within the Promoter Group and the directors of the Company holding shares in the Company, have vide their letters dated 27th October 2010, informed of their aggregate shareholding in the Company, which is set out below:

(i) Shareholding of the individuals / companies / entities forming part of the Promoter Group

Names of the individuals / companies / entities forming part of the Promoter Group	No. of Shares held in the Company as on October 27, 2010	% of total shares outstanding as on October 27, 2010
Mr. Ajay G. Piramal (as karta of HUF)	100,155	0.05
Mrs. Lalita G. Piramal	34	-
BMK Laboratories Private Limited	38,284,677	18.32
The Ajay G. Piramal Foundation	1,250,000	0.60
Cavaal Fininvest Private Limited	15,852,677	7.58
Paramount Pharma Private Limited	40,000,000	19.14
Piramal Enterprises Limited – Trustee of the Piramal Enterprises Executive Trust	3,574,950	1.71
Piramal Management Services Private Limited – Corporate Trustee of The Sri Krishna Trust	7,305,731	3.49
Piramal Healthcare Ltd. Senior Employee Option Scheme	2,690,512	1.29
Total	109,058,736	52.18

(ii) Shareholding of the Directors of the Promoter Group Companies

Names of Directors of the Promoter Group Companies of the Promoter Group	No. of Shares held in the Company as on October 27, 2010	%
Mr. Khushru B. Jijina (Director of BMK Laboratories Pvt. Ltd. and Paramount Pharma Pvt. Ltd.)	30,500	0.01
Mr. V.C. Vadodaria (Director of BMK Laboratories Pvt. Ltd.)	21,176	0.01
Mr. Sunil Adukia (Director of BMK Laboratories Pvt. Ltd. and Paramount Pharma Pvt. Ltd.)	1,850	-
Total	53,526	0.02

(iii) Shareholding of the Trustees of the Trusts which are shown as Promoter Category in shareholding pattern filed with the Stock Exchanges

Names of Trustees of the Trusts which are shown as Promoter Category in shareholding pattern filed with the Stock Exchanges	No. of Shares held in the Company as on October 27, 2010	%
Mr. Gautam Doshi (Trustee of Piramal Healthcare Ltd. Senior Employee Option Scheme)	33,500	0.02
Total	33,500	0.02

(iv) Shareholding of the Directors of the Company

Names of Directors of the Company	No. of Shares held in the Company as on October 27, 2010	%
Mr. N. Santhanam Executive Director & Chief Operating Officer [also Director of Piramal Enterprises Ltd., Corporate Trustee of Piramal Enterprises Executive Trust, forming part of Promoter Category]	156,250	0.07
Mr. R.A. Shah Director [also Trustee of Piramal Healthcare Ltd. Senior Employee Option Scheme, forming part of Promoter Category]	343,393	0.16
Mr. Y.H. Malegam	3,850	-
Total	503,493	0.23

(b) During the period of the last six months preceding the date of the Board Meeting at which the Buy-back was approved up to the date of this Notice, the persons referred to in (a) above purchased / transferred shares of the Company as detailed below:

(i) During the period of six months preceding 22nd October 2010 (being the date of the Board Meeting at which the Board approved the proposal recommending the Buy-back) upto the date of this Notice, the promoters of the Company referred to in (a)(i) above had purchased 6,717,913 equity shares of the Company, as detailed below, by way of creeping acquisition in terms of Regulation 11(f) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 ("SEBI Takeover Regulations"):

Name of Promoter Group Company	No. of Shares Purchased	Maximum Purchase Price (Rs.)	Date of Maximum Purchase Price	Minimum Purchase Price (Rs.)	Date of Minimum Purchase Price	Average Purchase Price (Rs.)	Date of Purchase
The Swastik Safe Deposit & Investments Ltd.	1,633,413	517	02.06.2010	494	24.05.2010	505	24.05.2010 to 02.06.2010
PHL Holdings Pvt. Ltd.	4,444,500	518	03.06.2010	492	10.06.2010	505	01.06.2010 to 16.06.2010
Cavaal Fininvest Pvt. Ltd.	640,000	495	25.10.2010	489	27.10.2010	494	25.10.2010 to 27.10.2010
Total	6,717,913						

(ii) During the period of six months preceding 22nd October 2010 (being the date of the Board Meeting at which the Board approved the proposal recommending the Buy-back) upto the date of this Notice, except for the transfer by the ESOP Trusts (which are shown under Promoter Category in the shareholding pattern filed with the Stock Exchanges) referred to in the following paragraphs (A) and (B), there have been no sale of shares by the promoters of the Company referred to in sub-para (a)(i) above.

(A) As on 27th October 2010, the Piramal Enterprises Executive Trust, holds 3,574,950 equity shares representing 1.71% of the equity share capital of the Company. In the 6-month period prior to the date of the board meeting at which the Board approved the proposal recommending the Buy-back i.e. October 22, 2010, this Trust has transferred 63,500 equity shares to the employees of Piramal Enterprises Limited in compliance with the terms of the trust deed at a maximum price of Rs.125, a minimum price of Rs.70 and an average price of Rs.109.

(B) As on 27th October 2010, the "Piramal Healthcare Ltd. - Senior Employee Option Scheme" holds 2,690,512 equity shares representing 1.29% of the equity share capital of the Company. In the 6-month period prior to the date of the board meeting at which the Board approved the proposal recommending the Buy-back i.e. October 22, 2010, this Trust has transferred 500,984 equity shares to the employees of the Company in compliance with the terms of the relevant Trust Deed at a maximum price of Rs.125, a minimum price of Rs.60 and an average price of Rs.98.16.

(iii) During the period of six months preceding 22nd October 2010 (being the date of the Board Meeting at which the Board approved the proposal recommending the Buy-back) upto the date of this Notice, the promoter group of the Company referred to in sub-para (a)(i) above had made an inter-se transfer of equity shares of the Company, within the Group, as detailed below:

Transferor	Transferee	No. of Shares Transferred	Maximum Price (Rs.)	Date of Maximum Price	Minimum Price (Rs.)	Date of Minimum Price	Average Price (Rs.)	Date of Transfer
PHL Holdings Pvt. Ltd.	Paramount Pharma Pvt. Ltd.	40,000,000	525	25th Aug. 2010	491	30th Aug. 2010	504	25th Aug.2010 to 26th Aug.2010 to 27th Aug.2010 to 30th Aug.2010
PHL Holdings Pvt. Ltd.	BMK Laboratories Pvt. Ltd.	38,284,677	514	6th Sep. 2010	488	31st Aug. 2010	502	31st Aug.2010 to 1st Sept.2010 to 2nd Sept.2010 to 3rd Sept.2010 to 6th Sept.2010
The Swastik Safe Deposit & Investments Ltd.	Cavaal Fininvest Pvt. Ltd.	8,854,537	511	7th Sep. 2010	511	8th Sep. 2010	511	7th Sept.2010 to 8th Sept.2010
Savoy Finance & Investments Pvt. Ltd.	Cavaal Fininvest Pvt. Ltd.	6,308,533	511	8th Sep. 2010	511	8th Sep. 2010	511	8th Sept.2010
Nandini Piramal Investments Pvt. Ltd.	Cavaal Fininvest Pvt. Ltd.	49,607	511	8th Sep. 2010	511	8th Sep. 2010	511	8th Sept.2010
Mr. Ajay G. Piramal	Piramal Management Services Pvt. Ltd. - Corporate Trustee of The Sri Krishna Trust	57,760	509	3rd Sept. 2010	509	3rd Sept. 2010	509	3rd Sept.2010
Dr. (Mrs.) Swati A. Piramal	Piramal Management Services Pvt. Ltd. - Corporate Trustee of The Sri Krishna Trust	446,686	505	3rd Sept. 2010	505	3rd Sep. 2010	505	3rd Sept.2010
Ajay G. Piramal (HUF)	Piramal Management Services Pvt. Ltd. - Corporate Trustee of The Sri Krishna Trust	208,875	505	3rd Sept. 2010	505	3rd Sep. 2010	505	3rd Sept.2010
Ms. Nandini Piramal	Piramal Management Services Pvt. Ltd. - Corporate Trustee of The Sri Krishna Trust	3,856,277	514	6th Sept. 2010	514	6th Sep. 2010	514	6th Sept.2010
Mr. Anand A. Piramal	Piramal Management Services Pvt. Ltd. Corporate Trustee of The Sri Krishna Trust	2,736,133	514	6th Sept. 2010	514	6th Sep. 2010	514	6th Sept.2010
Total		100,803,085						

(iv) During the period of six months preceding 22nd October 2010 (being the date of the Board Meeting at which the Board approved the proposal recommending the Buy-back) upto the date of this Notice, the Directors of the Promoter Group Companies (referred to in sub-para (a)(ii) above) had purchased equity shares of the Company, as detailed below:

Name of Director of the Promoter Company	No. of Shares Purchased	Maximum Purchase Price (Rs.)	Date of Maximum Purchase Price	Minimum Purchase Price (Rs.)	Date of Minimum Purchase Price	Average Purchase Price (Rs.)	Date of Purchase
Mr. V.C. Vadodaria (Director of BMK Laboratories Pvt. Ltd.)	1,725*	N.A.	N.A.	N.A.	N.A.	100.43	8th Oct. 2010
Mr. Sunil Adukia (Director of BMK Laboratories Pvt. Ltd. and Paramount Pharma Pvt. Ltd.)	1,850*	N.A.	N.A.	N.A.	N.A.	98.72	12th Oct. 2010

* represents purchases pursuant to exercise of Stock Options

(v) During the period of six months preceding 22nd October 2010 (being the date of the Board Meeting at which the Board approved the proposal recommending the Buy-back) upto the date of this Notice, the Directors of the Company (referred to in sub-para (a)(iv) above) had purchased equity shares of the Company, as detailed below:

Name of Director of the Company	No. of Shares Purchased	Maximum Purchase Price (Rs.)	Date of Maximum Purchase Price	Minimum Purchase Price (Rs.)	Date of Minimum Purchase Price	Average Purchase Price (Rs.)	Date of Purchase
Mr. N. Santhanam Executive Director & Chief Operating Officer [also Director of Piramal Enterprises Ltd., Corporate Trustee of Piramal Enterprises Executive Trust, forming part of Promoter Category]	37,500*	N.A.	N.A.	N.A.	N.A.	84	13th Oct. 2010

* represents purchases pursuant to exercise of Stock Options

(vi) During the period of six months preceding 22nd October 2010 (being the date of the Board Meeting at which the Board approved the proposal recommending the Buy-back) upto the date of this Notice, the Directors of the Promoter Group Companies (referred to in sub-para (a)(ii) above) had sold equity shares of the Company, as detailed below:

Name of Director of the Promoter Company	No. of Shares Sold	Maximum sale Price (Rs.)	Date of sale Price	Minimum sale Price (Rs.)	Date of sale Price	Average sale Price (Rs.)	Date of sale
Mr. Vijay Shah (Director of Piramal Enterprises Ltd. - Corporate Trustee of Piramal Enterprises Executive Trust)	5,000	N.A.	N.A.	N.A.	N.A.	515.76	27th May, 2010
Mr. Sunil Adukia (Director of BMK Laboratories Pvt. Ltd. and Paramount Pharma Pvt. Ltd.)	1,000	513.25	26th May, 2010	511	24th May, 2010	512.57	24th May, 2010 to 26th May 2010

Other than as disclosed above, none of the promoters and directors of the promoter Companies and persons in control of the Company have purchased or sold any shares during the period of 6 months preceding the date of the Board Meeting at which the Board approved the proposal recommending the Buy-back till the date of this Notice.

(ix) The promoters of the Company have informed the Company vide their letter dated 27th October 2010 of their intention to participate in the proposed Buy-back. Details of the date and price of acquisition of the shares that the promoters intend to tender are also set out below:

Sr. No.	Name of the Promoter Group Company	Maximum No. of shares intended to be offered in the Buy-back	Date of Acquisition	No. of Shares Acquired	Cost of Acquisition (Rs.)
1	Paramount Pharma Pvt. Ltd.	40,000,000	25th August, 2010 26th August, 2010 27th August, 2010 30th August, 2010	10,000,000 5,017,315,903 4,997,286,700 4,917,169,888	5,257,666,339 5,017,315,903 4,997,286,700 4,917,169,888
2	BMK Laboratories Pvt. Ltd.	38,284,677	31st August, 2010 1st September, 2010 2nd September, 2010 3rd September, 2010 6th September, 2010	9,000,000 4,515,417,870 6,128,681,325 7,784,677 500,000	4,398,253,485 4,515,417,870 6,128,681,325 9,396,868,033 257,367,979
3	Cavaal Fininvest Pvt. Ltd.	15,852,677	7th September, 2010 8th September, 2010 8th September, 2010 8th September, 2010 25th October, 2010 26th October, 2010 27th October, 2010	7,500,000 1,354,537 6,308,533 49,607 500,000 125,000 15,000	3,837,988,069 693,159,580 3,228,276,585 25,360,638 247,530,000 61,536,750 7,519,000
4	Piramal Management Services Pvt. Ltd. - Corporate Trustee of The Sri Krishna Trust	7,305,731	3rd September, 2010 3rd September, 2010 3rd September, 2010 6th September, 2010 6th September, 2010	57,760 446,686 208,875 3,856,277 2,736,133	29,459,673 225,899,524 105,632,957 1,984,964,434 1,408,386,040
Total		101,443,085			

It is the intention of the promoters to participate in the Buy-back and offer up to maximum of 101,443,085 equity shares, such that their percentage shareholding post Buy-back does not fall below the percentage shareholding as on the date of opening of the Buy-back offer.

Notwithstanding the above, the shares in the Buy-back shall be accepted on proportionate basis, based on the shares tendered by all the shareholders of the Company in the Buy-back offer.

(x) Confirmation that there are no defaults subsisting in the repayment of deposits, redemption of debentures or preference shares or repayment of term loans to any financial institutions or banks

The Company confirms that there are no defaults subsisting in the repayment of deposits, redemption of debentures or preference shares or repayment of term loans to any financial institutions or banks.

(xi) Confirmation that the Board has made a full enquiry into the affairs and prospects of the Company and that they have formed the opinion to the effect that the Company, after Buy-back will continue to be able to meet its liabilities and will not be rendered insolvent

The Board has confirmed that it has made a full enquiry into the affairs and prospects of the Company and has formed the opinion:

- that immediately following the date of Board Meeting held on 22nd October, 2010 and the date on which the results of the Postal Ballot will be declared, there will be no grounds on which the Company can be found unable to pay its debts.
- that as regards the Company's prospects for the year immediately following the date of the board meeting as well as the year immediately following the date on which the results of the Postal Ballot will be declared, approving the Buy-back and having regard to the Board's intentions with respect to the management of the Company's business during that year and to the amount and character of the financial resources, which will, in the Board's view, be available to the Company during that year, the Company will be able to meet its liabilities as and when they fall due and will not be rendered insolvent within a period of one year from the date of the board meeting approving the Buy-back or as the case may be, within a period of one year from the date on which the results of the Postal Ballot will be declared.
- In forming its opinion aforesaid, the Board has taken into account the liabilities as if the Company were being wound up under the provisions of the Act (including prospective and contingent liabilities).

(xii) Report addressed to the Board of Directors by the Company's Auditors on the permissible capital payment and the opinion formed by directors regarding insolvency

The relevant text of the Report dated October 27, 2010 received from Price Waterhouse, Chartered Accountants, the Statutory Auditors of the Company, addressed to the Board of Directors of the Company is reproduced below:

"In connection with the proposed Buy-back of equity shares approved by the Board of Directors of the Company at their meeting held on October 22, 2010, in pursuance of the provisions of the

Contd from Page 1						
Sr. No.	Name of the Promoter	Maximum No. of Shares intended to be offered in the Buyback*	Date of Acquisition	No. of Shares Acquired	Cost of Acquisition (Rs.)	Average Cost of Acquisition (Rs.)
			25th October 2010	500,000	247,530,000	495.06
			26th October 2010	125,000	61,538,750	492.31
			27th October 2010	15,000	7,335,000	489.00
4	Piramal Management Services Pvt. Ltd. ("PMSPL"), -Corporate Trustee of The Sri Krishna Trust ("SK Trust")	7,305,731	3rd September 2010	57,760	29,459,673	510.04
			3rd September 2010	446,686	225,899,524	505.72
			3rd September 2010	208,875	105,632,957	505.72
			6th September 2010	3,856,277	1,984,964,434	514.74
			6th September 2010	2,736,133	1,408,386,040	514.74
Total		101,443,085				

7.4 The promoters intend to participate in the Buyback and offer up to maximum of 101,443,085 Shares such that their percentage shareholding post Buyback does not fall below the percentage shareholding as on the date of opening of the Buyback offer. Accordingly, the promoters may offer a lower number of Shares in the Buyback than what is stated hereinabove so as to ensure that their percentage shareholding post Buyback does not fall below the percentage shareholding as on the date of opening of the Buyback offer. Not with standing the above, the Shares in the Buyback shall be accepted in a proportionate basis, based on the Shares tendered by all the shareholders of the Company in the Buyback offer.

8 MAXIMUM AMOUNT TO BE INVESTED UNDER THE BUYBACK

8.1 The Shares shall be bought back at a price of Rs.600/- per Share.

8.2 Assuming full acceptance, the funds that would be deployed by the Company for the purposes of the Buyback, would be Rs.25,081,577,400/-, which is less than 25% of the paid up capital and eligible free reserves of the Company as at September 30, 2010. The aggregate paid up share capital and free reserves as at September 30, 2010 was Rs. 141,204,921,992.

9 THE MINIMUM AND THE MAXIMUM NUMBER OF SECURITIES THAT THE COMPANY PROPOSES TO BUYBACK, SOURCES OF FUNDS AND THE COST OF FINANCING THE BUYBACK

9.1 The Company proposes to Buyback a maximum of 41,802,629 Shares. The maximum number of Shares proposed to be bought back would constitute approximately 20% of the Shares of the Company as on September 30, 2010.

9.2 The funds for Buyback will be available from cash balances available with the Company and/or liquidation of financial instruments held by the Company that have been generated through internal accruals. The Company does not intend to raise additional debt for the explicit purposes of the Buyback. Thus, borrowed funds will not be used for the Buyback.

9.3 The cost of financing the Buyback would be notional loss in other income, if any.

10 BRIEF INFORMATION ABOUT THE COMPANY

10.1 The Company was originally incorporated on April 26, 1947 under the Companies Act, 1913 as Indian Schering Limited. Its name was subsequently changed to Nicholas Laboratories India Limited on September 27, 1979. The name was further changed to Nicholas Piramal India Limited on December 2, 1992 and to Piramal Healthcare Limited on May 13, 2008. The registered office of the Company is located at Piramal Tower, Ganpatrao Kadam Marg, Lower Parel, Mumbai – 400 013.

10.2 The paid up equity share capital of the Company as at September 30, 2010 was Rs.418,026,288 and the total reserves and surplus as at September 30, 2010 were Rs. 140,957,218,711.

10.3 The Company, part of the Ajay Piramal Group, is a healthcare company primarily into manufacturing and sale of traded bulk drugs and over the counter consumer products and is headquartered in Mumbai.

10.4 The Company's main businesses are:

- (a) Pharma Solutions Business: The Company partners with multinational pharmaceutical companies to service their development and manufacturing needs. The Company is an end-to-end solution provider with presence across the life cycle of the drug and has capabilities in both Active Pharmaceutical Ingredients and Finished Dosages. The Company has a global footprint with manufacturing facilities in Asia, Europe and North America.
- (b) Piramal Critical Care: The Company's critical care portfolio comprises anesthetic products - injectable and inhalation and Haemaccel - a blood plasma volume expander.
- (c) OTC Business: The Company is one of the leading OTC players in India with a strong distribution network.

10.5 The Company has completed the sale of its Business (as defined in clause 6.1 above) to Abbott Healthcare Private Limited and the sale of the PDSPL Shareholding (as defined in clause 6.1 above) to SRL.

10.6 The Shares of the Company are listed on BSE and NSE in India.

11 FINANCIAL INFORMATION

The brief audited standalone financial information of the Company for the last 3 financial years and for the half-year ended September 30, 2010 is provided below. The audited results of the half-year ended September 30, 2010 were adopted by the Board of Directors of the Company at its meeting on October 22, 2010.

(Rs. Lacs)				
Period Ending	March 31, 2008	March 31, 2009	March 31, 2010	September 30, 2010
Period	12 months	12 months	12 months	6 months
Income from operations	191,213	231,626	265,094	110,507
Other Income	2,594	2,844	2,692	2,564
Total Income	193,807	234,470	267,786	113,071
Total Expenses excluding Interest, Depreciation, Tax and Exceptional Items	151,753	190,841	207,252	102,564
Earnings before Interest, Depreciation, Tax and Exceptional Items	42,054	43,629	60,534	10,507
Interest Expense / (Income)	1,730	3,790	3,550	(1,195)
Depreciation	7,048	8,381	9,222	4,840
Add: Exceptional Items	-	-	(36)	1,620,990
Profit before Tax	33,276	31,458	47,726	1,627,852
Provision for tax (including deferred tax, fringe benefit tax and prior years adjustments)	3,128	3,926	3,404	364,163
Profit after Tax	30,148	27,532	44,322	1,263,689
As on	March 31, 2008	March 31, 2009	March 31, 2010	September 30, 2010
Equity Share Capital	4,180	4,180	4,180	4,180
Reserves & Surplus *	97,467	114,722	145,863	1,409,572
Net Worth	101,647	118,902	150,063	1,413,752
Total Debt	50,429	97,686	66,096	31,260
Total Capital Employed	152,076	216,588	216,159	1,445,012
Key Ratios	March 31, 2008	March 31, 2009	March 31, 2010	September 30, 2010
Earnings per Share (Rs)	14.3	13.2	21.2	604.6***
Book value per Share (Rs)	48.6	56.9	71.8	676.4
Debt-Equity Ratio (Debt/Networth)	0.5	0.8	0.4	0.02
Return on Networth (%)**	29.7%	23.2%	29.5%	89.4%

* Computation of Net Worth, Reserves & Surplus wherever applicable, has been arrived at after deducting miscellaneous expenses not written off

*** Computed as PAT divided by the closing Networth for the year

** Not annualized

Notes:

- Earnings per Share = Profit After Tax / Weighted average number of equity shares outstanding during the year
- Book value per Share = Net Worth / Weighted average number of equity shares outstanding during the year

12 ESCROW ACCOUNT DETAILS

The Company has opened an escrow account in accordance with Regulation 10 of the Regulations in the form of:

- (a) Acceptable securities (units of debt mutual funds) with appropriate margin pledged in favour of the Manager to the offer in accordance with Regulation 10(3)(c) of the Regulations for an approximate value of Rs. 287 crores as per the table given in clause (b) below, being in excess of escrow amount computed in accordance with the Regulations. Such securities have been pledged to the Manager to the Buyback with powers delegated to the Manager to the Buyback to realize the value of the securities in accordance with the Regulations. This has been confirmed vide pledge confirmation letters dated December 3, 2010 and December 3, 2010 issued by Kotak Mahindra Asset Management Company Limited and HDFC Asset Management Company Limited respectively in favour of the Manager to the Buyback.

- (b) Details of such securities pledged towards escrow arrangement are as below:

Name of Security / MF	Number of Securities / MF Units (with margin)	Face Value (Rs. per unit)	Net Asset Value per Unit* (Rs.)	Amount (Rs. Lacs)
Kotak Quarterly Interval Plan – Series 9 – Dividend Payout	14,99,88,371.702	10.00	10.0992	15,147.63
Kotak Quarterly Interval Plan – Series 5 – Dividend Payout	6,00,00,000.0	10.00	10.0621	6,037.26
HDFC FMP 100D September 2010 (1) – Dividend Payout	750,00,000.0	10.00	10.1505	7,612.88
Grand Total				28,797.77

*Net Asset Value as at November 29, 2010

- (c) Cash deposit of an amount of Rs. 270,00,000 (Rupees Twenty Seven Crores Only) in an escrow account with Kotak Mahindra Bank Limited, Mittal Court, Nariman Point, Mumbai – 400 021, with directions to the Bank to act on the instructions of the Manager to the Buyback, as required under the Regulations. This has been confirmed vide a confirmation letter dated December 1, 2010 issued by Kotak Mahindra Bank Limited. The Manager to the Buyback is empowered to realize the value of the cash deposit in terms of the Regulations.

- (d) In case of redemption of securities under (a) above, the cash redemption proceeds shall be directly deposited in the escrow account opened with Kotak Mahindra Bank Limited. Pursuant to redemption of all securities pledged towards escrow arrangement under (a) above, whereby the escrow amount shall become solely in cash in accordance with Regulation 10(3)(a) of the SEBI Buyback Regulations, the amount to be held in escrow for the Buyback shall be recomputed appropriately in accordance with the Regulations as applicable for a cash deposit only and the excess cash amount, if any, may be returned to the Company prior to the closure of the Buyback.

13 FIRM FINANCING ARRANGEMENTS

The Company, duly authorized by its Committee of Directors on December 6, 2010, has set aside investments, distinct from those provided as escrow arrangement, for the purpose of fulfillment of the obligations of the Company under the Buyback in accordance with the Regulations. Details of such investments at cost are as below:

Investment Description	Amount (Rs. Lacs)
Commercial Papers	87,705
Fixed Deposits	1,15,000
Debt Mutual Fund Units	47,500
Grand Total	2,50,205

Based on the resolution of the committee of directors dated December 6, 2010 in this regard and other facts/documents M/s. D. B. Ketkar & Co., Chartered Accountants, 202, Rajnigandha Apartment, 2nd Floor, Prof. V. S. Agashe Path, Dadar (West), Mumbai - 400 028 Tel. No. +91 22 6571 7596, Fax No. +91 22 4004 8262, Partner- N. S. Ketkar (Membership number 40521) have certified, vide their letter dated December 6, 2010, that the Company has made firm financing arrangements for fulfilling the obligations under the Buyback to the extent of the Buyback Size. Based on the aforesaid resolution and aforementioned certificate, the Manager to the Buyback confirms that firm arrangements for fulfilling the obligations under the Buyback are in place.

14 LISTING DETAILS AND STOCK MARKET DATA

14.1 The Shares of the Company are listed on the BSE having Script Code 500302 and the NSE having Script Code PIRHEALTH.

14.2 The high and low market prices for the last 3 years (April to March periods) and the monthly high, low and average market prices for the 8 months (April to November) of the current financial year preceding this Public Announcement and the corresponding volumes on BSE are as follows:

Period	High** (Rs.)	Date of High and Number of Shares traded on that date	Low** (Rs.)	Date of Low and Number of Shares traded on that date	Average Price* (Rs.)	Total volume traded in period
2007-2008	368.15	18-Dec-07	233.35	23-Aug-07	289.23	28,365,297
2008-2009	378.35	11-Jun-08	172.25	26-Mar-09	275.50	18,583,135
2009-2010	431.55	25-Mar-10	193.75	1-Apr-10	342.01	19,622,036
Apr 2010	539.50	29-Apr-10	423.40	1-Apr-10	487.69	4,257,927
May 2010	575.90	6-May-10	489.80	12-May-10	527.18	38,733,159
Jun 2010	518.30	3-Jun-10	479.50	30-Jun-10	496.88	7,137,499

Jul 2010	512.05	9-Jul-10	482.35	1-Jul-10	498.04	3,082,720
Aug 2010	521.30	24-Aug-10	471.80	4-Aug-10	491.66	55,501,426
Sep 2010	527.75	13-Sep-10	499.55	30-Sep-10	512.98	56,632,342
Oct 2010	544.60	20-Oct-10	473.90	28-Oct-10	514.31	6,412,224
Nov 2010	478.80	2-Nov-10	436.75	25-Nov-10	461.08	1,548,831

Source: www.bseindia.com

*Arithmetical average of closing prices

** High and Low indicates the high and low of the closing prices respectively for the period

The high and low market prices for the last 3 years (April to March periods) and the monthly high, low and average market prices for the 8 months (April to November) of the current financial year preceding this Public Announcement and the corresponding volumes on NSE are as follows:

Period	High** (Rs.)	Date of High and Number of Shares traded on that date	Low** (Rs.)	Date of Low and Number of Shares traded on that date	Average Price* (Rs.)	Total volume traded in period
2007-2008	368.00	18-Dec-07	233.20	23-Aug-07	289.50	76,867,708
2008-2009	377.10	11-Jun-08	172.15	19-Feb-09	275.59	67,206,124
2009-2010	431.70	25-Mar-10	193.50	1-Apr-09	342.23	42,734,287
Apr 2010	540.15	29-Apr-10	422.95	1-Apr-10	487.46	15,348,525
May 2010	575.90	6-May-10	489.80	12-May-10	527.05	97,489,543
Jun 2010	518.35	3-Jun-10	480.75	30-Jun-10	496.88	18,221,560
Jul 2010	512.05	9-Jul-10	482.15	1-Jul-10	498.12	10,840,419
Aug 2010	521.15	24-Aug-10	472.00	4-Aug-10	491.53	18,863,710
Sep 2010	527.85	13-Sep-10	499.50	30-Sep-10	513.43	13,940,437
Oct 2010	544.45	20-Oct-10	473.80	28-Oct-10	514.27	20,102,737
Nov 2010	479.00	2-Nov-10	433.70	25-Nov-10	461.37	7,704,897

Source: www.nseindia.com

* Arithmetical average of closing prices

** High and Low indicates the high and low of the closing prices respectively for the period

Notice of the Board Meeting convened to consider, *inter alia*, the proposal of the Buyback was given to the BSE and NSE on October 19, 2010. The closing price of the Company's equity share on October 19, 2010 on BSE was Rs.538.95 and on NSE was Rs.539.40. The Board, at its meeting held on October 22, 2010, approved the proposal for the Buyback at a price of Rs. 600/- per share and the intimation of this decision was sent to BSE and NSE on the same day. The high and low market prices on BSE on October 22, 2010, were Rs.549.00/- and Rs.512.00 respectively and on NSE were Rs. 549.50 and Rs.512.20 respectively. The high and low market prices on BSE on October 25, 2010 (being the trading day after the day on which the Board Meeting was held to approve the Buyback) were Rs.509.00/- and Rs.485.65/- respectively and on NSE were Rs.510.00 and Rs.489.05 respectively.

On July 16, 2007 the Company had allotted 11 Shares @ Rs. 175 per share, out of Shares kept in abeyance during the Rights Issue of the Company, pending determination of title to such shares. Since the resultant change in capital structure is nominal and not having any appreciable impact on the price or volume of the Company's shares traded on the Stock Exchanges, no break up of the above stock market data is given for the period before and after the aforesaid change in capital structure.

15 CAPITAL STRUCTURE

15.1 The capital structure of the Company as on December 6, 2010 is as follows:

(Rs. Lacs)	
	Pre Buyback
Authorised Share Capital	
25,00,00,000 Equity Shares of Rs.2/- each	5,000.00
30,00,00,000 Preference Shares of Rs.100/- each	3,000.00
2,40,00,000 Preference Shares of Rs.10/- each	2,400.00
10,50,00,000 Unclassified Shares of Rs.2/- each	2,100.00
	12,500.00
Issued and Subscribed Share Capital	
20,90,13,144 Equity Shares of Rs.2/- each	4,180.26

15.2 Assuming full acceptance in the Buyback, the capital structure of the Company post Buyback would be as follows:

(Rs. Lacs)	
	Post Buyback
Authorised Share Capital	
25,00,00,000 Equity Shares of Rs.2/- each	5,000.00
30,00,00,000 Preference Shares of Rs.100/- each	3,000.00
2,40,00,000 Preference Shares of Rs.10/- each	2,400.00
10,50,00,000 Unclassified Shares of Rs.2/- each	2,100.00
	12,500.00
Issued and Subscribed Share Capital	
167,210,515 Equity Shares of Rs.2/- each	3344.21

15.3 There are no partly paid-up Shares of the Company.

15.4 There are no outstanding instruments convertible into Shares.

15.5 The Company has an ESOP scheme, which is implemented by the ESOP Trust and the shares transferred by the ESOP Trust against exercise of stock options by employees are those that have been acquired by the ESOP Trust from existing shareholders and not fresh shares issued by the Company. Accordingly, there is no increase in the share capital of the Company as a result of such exercise of stock options by employees.

15.6 In accordance with the resolution passed by the Buyback Committee on 27th October, 2010, the Company shall not issue and allot any Shares including by way of bonus, from the date of Public Announcement till the date of closure of the Buyback.

15.7 As on the date of this Public Announcement, there is no pending scheme of amalgamation or compromise or arrangement pursuant to any provisions of the Act.

16 SHAREHOLDING PATTERN

The shareholding pattern of the Company as on December 6, 2010 and post Buyback (assuming full response to the Buyback offer), is as shown below:

Particulars	Number of Shares	% to existing share capital	No. of Shares post Buyback*	% holding post Buyback*
Promoter Group	11,14,44,308	53.32	9,01,36,099	53.91
Non-promoter directors of the Promoter group companies	93,651	0.04	-	-
Directors of the Company	5,03,493	0.24	-	-
Foreign Investors (OCBs/FIIs /NRIs/Non-residents)	5,23,94,429	25.07	7,70,74,416	46.09
Indian Financial Institutions/ Banks/ Mutual Funds/Govt. Companies	1,02,65,896	4.91	-	-
Public including other Bodies Corporate	3,43,11,367	16.42	-	-
Total	20,90,13,144	100%	16,72,10,515	100%

* Assuming (i) full acceptance of the Buyback (ii) all public shareholders tender their entire Shareholding; and (iii) promoter group tenders Shares in accordance with Clause 7.4 of this Public Announcement

17 THE AGGREGATE SHAREHOLDING OF THE PROMOTER GROUP AND OF THE DIRECTORS OF THE PROMOTERS, WHERE THE PROMOTER IS A COMPANY AND OF PERSONS WHO ARE IN CONTROL OF THE COMPANY

The aggregate shareholding of the promoter group, directors of the promoter group companies and persons in control of the Company as on December 6, 2010, is as follows:

Names	Shares	% to paid up capital
Mr. Ajay G. Piramal (as karta of a HUF)	1,00,155	0.05
Smt. Lalita G. Piramal	34	0.00
BMK	3,82,84,677	18.32
The Ajay G. Piramal Foundation	12,50,000	0.60
Cavaal	1,82,59,474	8.73
Paramount	4,00,00,000	19.14
Piramal Enterprises Limited – Trustee of the Piramal Enterprises Executive Trust ("PEL ESOP Trust")	35,73,875	1.71
Piramal Management Services Private Limited - Corporate Trustee of The Sri Krishna Trust ("PMSPL- Corporate Trustee of The SK Trust")	73,05,731	3.49
Piramal Healthcare Ltd. Senior Employee Option Scheme ("PHL ESOP Trust")	26,70,362	1.28
Any other constituent of Promoter Group	-	-
Total	11,14,44,308	53.32

17.1 Shareholding of the individuals/companies/entities forming part of the Promoter Group

17.2 Shareholding of the non-promoter Directors of the Promoter Group Companies

Names	Shares	% to paid up capital
Mr. Khushru B. Jijina (Director of BMK and Paramount)	30,500	0.01%
Mr. V.C. Vadodaria (Director of BMK)	21,176	0.

Contd from Page 2

- be dealt with as in clause 22.10 of the Public Announcement, provided further that a minimum of 1 Share will be accepted from each shareholder, being the market lot of the Company.
- 22.4 The LOF, the Form and the Withdrawal Form outlining the terms of the Buyback as well as disclosures as specified in the Regulations, will be mailed to shareholders of the Company whose names appear on the register of members of the Company, or who are beneficial owners of Shares as per the records of the NSDL / CDSL on the Specified Date i.e. January 8, 2011.
- 22.5 In terms of Regulation 9(3) of the Regulations, the LOF shall be sent to the shareholders so as to reach the shareholders before the opening of the Buyback offer.
- 22.6 The Buyback shall be open for the period as shown in the proposed timetable. Shareholders who propose to accept the Buyback offer must ensure that their Form(s), along with the requisite documents, reach the collection centers before 5 pm on the date of closure of the Buyback i.e. February 7, 2011. Shareholders and unregistered shareholders residing at a location where there is no collection centre should send their Form(s) to the Registrar to the Buyback by mail to their office in Mumbai so as to reach the collection centers before 5 pm on the date of closure of the Buyback i.e. February 7, 2011. Shareholders must also ensure that credit of dematerialized Shares in the Special Depository Account must take place before the time specified in clause 22.21 of this Public Announcement.
- 22.7 The Company will consider all the Shares validly tendered for the Buyback by shareholders, for acceptance under the Buyback, irrespective of whether the shareholder is registered with the Company as on the Specified Date or has obtained delivery after the Specified Date or he holds the Shares in street name. In case the tenderer is an unregistered shareholder, he should submit the transfer deed complete in all respects, along with the share certificate as specified elsewhere in this announcement.
- 22.8 Each shareholder should submit only one Form irrespective of the number of folios he/she holds. Multiple applications tendered by any shareholder shall be liable to be rejected. Also, multiple tenders from the same depository account or same registered folio shall also be liable to be rejected.
- 22.9 Shareholders may offer for Buyback their full holding or any part of their holding of Shares of the Company, as they desire. As the Shares of the Company are tradable compulsorily in demat segment, in the event the aggregate number of Shares tendered by the shareholders are more than the total number of Shares to be bought back by the Company, the acceptances per shareholder shall be made in accordance with the Regulations, i.e. valid acceptances per shareholder shall be equal to the Shares validly tendered by the shareholder divided by the total Shares validly tendered and multiplied by the total number of Shares to be bought back by the Company.
- 22.10 Adjustment for fraction shareholding in case of pro-rata acceptance:**
- For any shareholder, if the number of Shares to be accepted for Buyback on a proportionate basis is not in the multiple of 1 and the fractional acceptance is greater than or equal to 0.50, then the fraction would be rounded off to the next higher integer
 - If the number of Shares of a Shareholder to be accepted for Buyback on a proportionate basis is not in the multiple of 1 and the fractional acceptance is less than 0.50, then the fraction shall be ignored
 - In cases where due to above rounding off, accepted number of Shares is zero, at least 1 Share would be accepted
- Consolidated adjustment of above rounding off would be carried out from the promoter's lot.
- 22.11 No single offeror can tender Shares more than the total number of Shares proposed to be bought back and any Form wherein the number of Shares offered by a shareholder exceeds the total number of Shares to be bought back will be liable to be rejected.
- 22.12 The Company will not accept any Shares offered for Buyback which are under lock-in or where there exists any restraint order of a Court for transfer / disposal or where loss of share certificates has been notified to the Company or where the title of the shares is under dispute or otherwise not clear or where any other restraint subsists.
- 22.13 Where the Form is signed under Power of Attorney or by authorized signatory(ies) on behalf of a company / body corporate, the Power of Attorney/signing authority along with the specimen signatures must have been previously registered with the Company. The registration serial number of such documents should be mentioned below the relevant signature. Where the relevant document is not so registered, a copy of the same duly certified by a Notary / Gazetted Officer should be enclosed with the Form.
- 22.14 In case one or more of the joint holders is deceased, the Form must be signed by all surviving holder(s) and submitted along with a certified or attested true copy of the Death Certificate(s). If the sole shareholder is deceased, the Form must be signed by the legal representatives of the deceased and submitted along with the certified or attested true copy of Probate / Letters of Administration / Succession Certificate and all other relevant documentation while tendering their Shares for the Buyback.
- 22.15 Where a joint shareholder is deceased, the Shares will be consolidated with the Shares, if any, held and tendered by the surviving shareholder(s) for the purpose of reckoning the aggregate number of Shares to be bought back from the surviving shareholders.
- 22.16 In case of any lacunae and/or defect, incomplete information, late receipt or modifications in the documents/ Forms submitted, the Form(s) are liable to be rejected.
- 22.17 All the shareholders should provide all relevant documents, which are necessary to ensure transferability of the Shares in respect of which the Form is being sent. Such documents may include (but not be limited to):
- No objection certificate from any lender, if the Shares in respect of which the Form is sent, were under any charge, lien or encumbrance.
 - Duly attested Power of Attorney, if any person other than the shareholder has signed the Form.
 - In case of companies, the necessary certified corporate authorizations (including Board and/or general meeting resolutions).
- 22.18 It is mandatory for the shareholders to indicate the bank account details at the appropriate place(s) in the Form.
- 22.19 Non-receipt of the LOF by, or accidental omission to dispatch the LOF to any person who is eligible to receive the offer, shall not invalidate the offer in any way.
- 22.20 In case of non-receipt of the LOF / Form:
- In case the Shares are in dematerialized form:** A shareholder may send an application in writing on plain paper stating name, address, number of Shares held, Client ID number, DP Name/ID, beneficiary account number, number of Shares tendered for the Buyback, bank account particulars for the payment of Buyback consideration etc. enclosing a photocopy of the delivery instruction in "Off-market" duly acknowledged by the DP, in favour of the depository account (details in Clause 22.21) and other necessary documents. Shareholders must ensure that their Form(s), along with the requisite documents, reach the collection centers before 5 pm on the date of closure of the Buyback i.e. February 7, 2011. Shareholders must also ensure that credit of dematerialized Shares in the Special Depository Account must take place before 5 pm on the date of closure of the Buyback i.e. February 7, 2011.
 - In case the Shares are in physical form:** A registered shareholder may send an application in writing on a plain paper signed by all shareholders stating name, address, folio number, number of Shares held, certificate number, number of Shares tendered for the Buyback and the distinctive numbers thereof, bank account particulars for payment of consideration, etc. enclosing a copy of the shareholder's PAN Card, the original share certificate(s) with valid Share transfer form(s) duly signed by the transferor and other necessary documents. In the event that the shareholder is unregistered, the application must additionally be accompanied by the original equity share certificate(s) accompanied by valid share transfer form(s) as received from the market, (wherein the name of the transferee has not been filled in), and the original broker contract note of a registered broker of a recognized stock exchange in relation to the purchase of the Shares tendered. The name of the purchaser in the broker contract note should be identical with the name of the unregistered shareholder tendering the shares for Buyback. Shareholders must ensure that their Form(s), along with the requisite documents, reach the collection centers before 5 pm on the date of closure of the Buyback i.e. February 7, 2011.
- For Shares held in the dematerialised form**
- 22.21 The Company has opened a depository account titled "Piramal Healthcare Limited Buyback Offer" with Kotak Securities Limited ("Special Depository Account"). The beneficial owners are required to execute an

off-market trade by submitting the delivery instructions for debiting his/her beneficiary account with their concerned depository participant ("DP"). A photocopy of the delivery instructions or counterfoil of the delivery instructions duly acknowledged by the DP shall be attached to the Form while submitting the same. The beneficial owner may note that the delivery instructions to be made to their DP should be in the "off-market trade" mode, and as per the details provided below. In the delivery instruction slip the section to be used is the section titled "For Off- Market Trades (Receiver Details)".

Depository Name	National Securities Depositories Limited
DP Name	Kotak Securities Limited
DP ID Number	IN300214
Beneficiary Account Name	Piramal Healthcare Limited Buyback Offer
Beneficiary Account Number	15567993
ISIN	INE140A01024
Market	Off-Market
Execution Date	On or before 5 pm on February 7, 2011

Please note that the aforementioned account shall be closed at 5 pm on the date of closure of the Buyback i.e. February 7, 2011. Beneficial owners are therefore requested to ensure the credit of their Shares to the aforementioned account before the closure of the aforementioned account.

- 22.22 Shareholders having their beneficiary account in CDSL will have to use inter-depository instructions slip for the purpose of crediting their Shares in favour of the Special Depository Account.
- 22.23 If the Registrar to the Offer does not receive the documents listed above by 5 pm on the date of closure of the Buyback offer (i.e. February 7, 2011), then, notwithstanding the credit of the Shares in the Special Depository Account, the Buyback offer will be deemed to have been rejected by such shareholder and the Shares tendered by such shareholder will be returned to such shareholder no later than February 21, 2011 by way of a credit to the shareholder's depository account. Conversely, if the Shares are not credited to the Special Depository Account by 5 pm on the date of closure of the Buyback offer i.e. February 7, 2011, then, notwithstanding the receipt of the documents listed above by the Registrar to the Offer by or before 5 pm on the date of closure of the Buyback offer i.e. February 7, 2011, the Buyback Offer will be deemed to have been rejected by such shareholder.
- 22.24 In the event, that any Shares have to be returned to the shareholders and if the returned Shares are not credited to the shareholder's beneficiary account for any reason whatsoever, the Company shall have the option to rematerialize the said Shares and keep them in the physical form with the Company in trust for the shareholders until the Company receives specific directions from the shareholders with regard to these Shares.
- 22.25 Shares held in dematerialized form to the extent not accepted for the Buyback will be returned to the beneficial owner to the credit of the beneficial owner's depository account with their respective DP as per details furnished by the beneficial owner in the Form / as per those received electronically from the shareholder's DP, under intimation to the first named beneficial owner by registered post or UPC. The Shares shall be transferred no later than February 21, 2011. In the event that there is a conflict between the details provided in the Form and those received electronically from the shareholder's DP, the details received electronically shall prevail. However, the Shares so received are liable to be rejected and returned to the account as per the details provided electronically by the shareholder's DP.

For Shares held in the physical form, by registered shareholders

- 22.26 Registered shareholders holding Shares in physical form are required to enclose a copy of their PAN Card and the original share certificate(s) and valid share transfer form(s) duly signed by the transferor (by all the equity shareholders in case the Shares are in joint names, with the names filled up in the same order in which they hold Shares in the Company) as per the specimen signatures lodged with the Company and duly witnessed at the appropriate place, while submitting the Form(s).
- 22.27 If the Registrar to the Offer does not receive the documents listed above by 5 pm on the date of closure of the Buyback offer (i.e., February 7, 2011), then, notwithstanding the receipt of the share certificates and valid transfer deeds, the Buyback offer will be deemed to have been rejected by such shareholder and the share certificates and valid transfer deeds shall be returned to such shareholder no later than February 21, 2011. Conversely, if the share certificates and valid transfer deeds are not received by the Registrar to the Offer by 5 pm on the date of closure of the Buyback offer i.e. February 7, 2011, then, notwithstanding the receipt of the documents listed above by the Registrar to the Offer by or before 5 pm on the date of closure of the Buyback offer i.e. February 7, 2011, the Buyback Offer will be deemed to have been rejected by such shareholder.
- 22.28 Shares held in physical form to the extent not accepted for Buyback will be returned to the beneficial owner after suitable sub-division, if any, in order to facilitate acceptance of share certificates tendered by them, through registered post or UPC, at the shareholders' sole risk.

For Shares held in the physical form, by persons not registered as shareholders

- 22.29 Unregistered shareholders who wish to tender their Shares in response to the Buyback offer should send the application in plain paper signed by all shareholders, stating folio number, name, address, number of Shares held, share certificate number, distinctive numbers, number of Shares tendered for the Buyback and bank account details together with original share certificates and duly executed transfer deed and other relevant documents (including photocopy of their PAN Card).
- 22.30 Persons not registered as shareholders are required to enclose with the Form:
- the original equity share certificate(s) accompanied by valid share transfer form(s) as received from the market, wherein the name of the transferee has not been filled in;
 - the original broker contract note of a registered broker of a recognized stock exchange in relation to the purchase of the Shares tendered in this case. The name of the purchaser in the broker contract note should be identical with the name of the unregistered shareholder tendering the shares for Buyback;
 - in case the share certificate(s) and the transfer deed(s) are lodged with the Company/its transfer agents for transfer, then the Form shall be accompanied by the acknowledgement of lodgment with, or receipt by, the company/its transfer agents, of the share certificate(s) and the transfer deed(s).
- 22.31 All transfer requests received by the Company on or before the closure of the Buyback shall be processed by the Company and considered for finalization of the acceptance.
- 22.32 The above documents need to reach the collection centers by 5 pm on February 7, 2011.

For Shares held by Non-resident shareholders

- 22.33 Non-resident shareholders (excluding FII) should also enclose a copy of the permission received by them from the RBI to acquire the Shares held by them in the Company.
- 22.34 In case the Shares are held on repatriation basis, the non-resident shareholder should obtain and enclose a letter from its authorized dealer/bank confirming that at the time of acquiring the said Shares, payment for the same was made by the non-resident shareholder from the appropriate account as specified by RBI in its approval. In case the non-resident shareholder is not in a position to produce the said certificate, the Shares would be deemed to have been acquired on non-repatriation basis and in that case the holder shall submit a consent letter addressed to the Company, allowing the Company to make the payment on a non-repatriation basis in respect of the valid Shares accepted under the Buyback.
- 22.35 If any of the above stated documents, as applicable, are not enclosed along with the Form, the Shares tendered under the Buyback are liable to be rejected.
- 22.36 The Company has applied to the RBI for permission to purchase Shares from non-resident shareholders (including erstwhile OCBs, NRIs and FIIs) and all such shareholders tendering their Shares will need to provide such additional documents as may be required for complying with applicable FEMA requirements.
- 22.37 Details regarding the number of shares tendered by shareholders in the Buyback shall be available on the Company's website www.piramalhealthcare.com and the same shall be updated periodically during the offer period (i.e., January 17, 2011 to February 7, 2011).

Withdrawal

- 22.38 Shareholders desirous of withdrawing from their participation in the Buyback after having submitted the Form can do so up to 3 working days prior to the date of closure of the Buyback i.e. up to February 2, 2011. The withdrawal option can only be exercised by submitting the Withdrawal Form (along with enclosures as

applicable) so as to reach the Registrar to the Offer at its address Link Intime India Pvt. Ltd., C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (W), Mumbai 400078, either by hand delivery, courier or registered post by 5 pm on February 2, 2011.

- 22.39 Please note that the Withdrawal Forms will not be accepted at other collection centres. In case of withdrawal, Shares tendered by such persons shall be returned only after the closure of the Buyback by the same date as date for dispatch of share consideration/share certificates/demat instruction.
- 22.40 The Company shall dispatch intimation of acceptance or non-acceptance of the Shares latest by February 21, 2011.

Settlement

- 22.41 Subject to Clause 20 of the Public Announcement, the Company will pay the consideration to the shareholders in respect of the Shares bought back within 7 days of acceptance, in accordance with the Regulations.
- 22.42 The payment of consideration for accepted applications shall be made by the Company to the sole / first shareholder, the details of which are recorded with the Company / DP. Payment shall be made through ECS (subject to availability of all information for crediting the funds), Demand drafts / Pay Order payable at par at all the centres where the Company is accepting applications and centres where the Company would have to open collection centres if it were carrying out a public issue of a size equal to the Buyback Size and the same shall be drawn in the name of the first named person in case of joint shareholders. In the event that the amount payable to a tenderer exceeds Rs.1,500/-, the instrument for such payment shall be sent by registered post.
- 22.43 In order to avail ECS, shareholders holding Shares in physical form are requested to submit the ECS mandate form duly filled in and signed while submitting the Form if the same has not been submitted earlier to the Company / Registrar & Share Transfer Agents. Shareholders holding Shares in dematerialized form are requested to instruct their respective DP regarding bank accounts in which they wish to receive the consideration before the close of the Buyback offer. The Company / Registrar & Share Transfer Agents will not act on any direct request received from shareholders holding Shares in dematerialized form for change / deletion of such bank details.
- 22.44 All Shareholders are requested to determine the tax implications of Buyback and are advised to consult their tax advisors for the treatment that may be given by their respective assessing officers in their case, and the appropriate course of action that they should take.
- 22.45 The Shares lying to the credit of the Special Depository Account will be extinguished within 7 days from the date of acceptance of the Shares in the manner specified in the Regulations. In respect of Shares bought back in the physical form, the Shares would be extinguished and share certificates physically destroyed within 7 days from the date of acceptance in the manner specified in the Regulations. The details of the Shares extinguished would be notified to the stock exchanges and SEBI as per provisions of the Regulations.
- 22.46 All documents sent by shareholders and all remittances to shareholders will be at their own risk. Shareholders are advised to adequately safeguard their interests in this regard.

23 COMPLIANCE OFFICER

The Company has designated the following as the Compliance Officer for the Buyback:

Name: Leonard D'Souza
Designation: Company Secretary
Address: Piramal Tower, Ganpatrao Kadam Marg, Lower Parel, Mumbai 400 013
Phone: +91 22 30466666
Fax: +91 22 24902363
Email: complianceofficer.phl@piramal.com

The Compliance Officer can be contacted on any working day (i.e., Monday to Friday and not being a bank holiday in Mumbai) between 10.00 am to 5.00 pm.

24 INVESTOR SERVICE CENTRE

In case of any queries, the shareholders may contact Investor Service Centre, from Monday to Friday between 10.00 am to 5.00 pm on all working days, at the following address:

Name: Investor Service Centre: Piramal Healthcare Buyback
Address: Link Intime India Pvt. Ltd., C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (W), Mumbai 400 078
Phone: +91 22 25960320
Fax: +91 22 25960329
Toll Free no. 1-800-22-0320
Email: phl.buyback@linkintime.co.in

25 MANAGER TO THE BUYBACK

The Company has appointed the following as Manager to the Buyback:



Name: Kotak Mahindra Capital Company Limited
Address: 1st Floor, Bakhtawar, 229, Nariman Point, Mumbai – 400 021
Phone: +91 22 66341110
Fax: +91 22 22840492
Email: project.piramalbuyback@kotak.com
Contact Person: Mr. Chandrakant Bhole
SEBI Registration No. INM000008704

26 REGISTRARS TO THE BUYBACK

The Company has appointed the following as the Registrars to the Buyback:



Name: Link Intime India Pvt. Ltd.
Address: C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (W), Mumbai 400 078
Phone: +91 22 25960320
Fax: +91 22 25960329
Email: phl.buyback@linkintime.co.in
Contact Person: Mr. Nilesh Chalke
SEBI Registration No. INR000004058
Validity Period 06/05/2009 to 05/05/2012

27 DIRECTORS' RESPONSIBILITY STATEMENT

The Board of Directors of the Company accepts responsibility for all the information contained in this Public Announcement.

**For and on behalf of the Board of Directors
of Piramal Healthcare Limited**

Sd/-
Ajay G. Piramal
Chairman

Sd/-
N. Santhanam
Executive Director and
Chief Operating Officer

Sd/-
Leonard D'Souza
Company Secretary

Date : December 7, 2010

Place : Mumbai